

AMENDED IN ASSEMBLY MARCH 29, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

## ASSEMBLY BILL

No. 870

Introduced by Assembly Member Bermudez

February 18, 2005

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An act to amend ~~Section 66025~~ *Sections 66025 and 76300* of the Education Code, relating to public postsecondary education, and declaring the urgency thereof, to take effect immediately.

### LEGISLATIVE COUNSEL'S DIGEST

AB 870, as amended, Bermudez. Public postsecondary education: limitations on tuition and mandatory systemwide fee increases.

Existing law establishes the University of California, administered by the Regents of the University of California, ~~and the California State University, administered by the Trustees of the California State University, and the California Community Colleges, administered by the Board of Governors of the California Community Colleges,~~ as ~~2~~ *of* the 3 segments of public postsecondary education in this state. Existing law authorizes these segments to charge students fees for attendance at the institutions of higher education they operate.

This bill would require that, commencing with the 2005-06 fiscal year, tuition and mandatory systemwide fees charged to students at the University of California and the California State University, *as well as the enrollment fees charged to students at the California Community Colleges*, shall not increase by more than 2% above the level charged in the immediately preceding fiscal year, unless at least  $\frac{1}{3}$  of the revenue that accrues to the respective segments *or the state, as applicable* because of the increase is used to fund student financial aid programs at the respective segments.

Pursuant to a provision of existing law, the bill would apply to the University of California only to the extent that the regents, by appropriate resolution, act to make it applicable.

The bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 66025 of the Education Code is  
2 amended to read:

3 66025. (a) (1) Systemwide fees charged to resident  
4 undergraduate students at the University of California and the  
5 California State University shall be reduced for the 1998–99  
6 fiscal year by 5 percent below the level charged during the  
7 1997–98 fiscal year, and the systemwide fees charged to those  
8 students for the 1999–2000 fiscal year shall be reduced by 5  
9 percent below the level charged during the 1998–99 fiscal year.  
10 Systemwide education and registration fees charged to resident  
11 graduate students at the University of California and the  
12 California State University for the 1999–2000 fiscal year shall be  
13 reduced by 5 percent below the level charged those resident  
14 students for the 1997–98 fiscal year.

15 (2) Commencing with the 2005-06 fiscal year, tuition and  
16 mandatory systemwide fees charged to students at the University  
17 of California and the California State University shall not  
18 increase by more than 2 percent above the level charged in the  
19 immediately preceding fiscal year, unless at least one-third of the  
20 revenue that accrues to the respective segments because of the  
21 increase is used to fund student financial aid programs at the  
22 respective segments.

23 (3) This subdivision does not apply to resident students  
24 pursuing a course of study leading to a professional degree who  
25 are subject to a supplemental fee pursuant to the policy of the  
26 University of California.

27 (b) No provision of this section shall apply to the University of  
28 California except to the extent that the Regents of the University  
29 of California, by appropriate resolution, make that provision  
30 applicable.

1     *SEC. 2. Section 76300 of the Education Code is amended to*  
2     *read:*

3     76300. (a) The governing board of each community college  
4     district shall charge each student a fee pursuant to this section.

5     (b) (1) The fee prescribed by this section shall be eighteen  
6     dollars (\$18) per unit per semester, effective with the fall term of  
7     the 2003–04 academic year.

8     (2) (A) Notwithstanding paragraph (1), the fee prescribed by  
9     this section shall be twenty-six dollars (\$26) per unit per  
10    semester, effective with the fall term of the 2004–05 academic  
11    year.

12    (B) *Commencing with the 2005-06 fiscal year, the fee*  
13    *prescribed by this section shall not increase by more than 2*  
14    *percent above the level charged in the immediately preceding*  
15    *fiscal year, unless at least one-third of the revenue that accrues*  
16    *to the state because of the increase is used to fund student*  
17    *financial aid programs in the California Community Colleges.*

18    (3) The chancellor shall proportionately adjust the amount of  
19    the fee for term lengths based upon a quarter system and also  
20    shall proportionately adjust the amount of the fee for summer  
21    sessions, intersessions, and other short-term courses. In making  
22    these adjustments, the chancellor may round the per unit fee and  
23    the per term or per session fee to the nearest dollar.

24    (c) For the purposes of computing apportionments to  
25    community college districts pursuant to Section 84750, the  
26    chancellor shall subtract, from the total revenue owed to each  
27    district, 98 percent of the revenues received by districts from  
28    charging a fee pursuant to this section.

29    (d) The chancellor shall reduce apportionments by up to 10  
30    percent to any district that does not collect the fees prescribed by  
31    this section.

32    (e) The fee requirement does not apply to any of the  
33    following:

34    (1) Students enrolled in the noncredit courses designated by  
35    Section 84757.

36    (2) California State University or University of California  
37    students enrolled in remedial classes provided by a community  
38    college district on a campus of the University of California or a  
39    campus of the California State University, for whom the district  
40    claims an attendance apportionment pursuant to an agreement

1 between the district and the California State University or the  
2 University of California.

3 (3) Students enrolled in credit contract education courses  
4 pursuant to Section 78021, if the entire cost of the course,  
5 including administrative costs, is paid by the public or private  
6 agency, corporation, or association with which the district is  
7 contracting and if these students are not included in the  
8 calculation of the full-time equivalent students (FTES) of that  
9 district.

10 (f) The governing board of a community college district may  
11 exempt special part-time students admitted pursuant to Section  
12 76001 from the fee requirement.

13 (g) (1) The fee requirements of this section shall be waived  
14 for any student who, at the time of enrollment, is a recipient of  
15 benefits under the Temporary Assistance to Needy Families  
16 program, the Supplemental Security Income/State Supplementary  
17 Program, or a general assistance program or has demonstrated  
18 financial need in accordance with the methodology set forth in  
19 federal law or regulation for determining the expected family  
20 contribution of students seeking financial aid.

21 (2) The governing board of a community college district also  
22 shall waive the fee requirements of this section for any student  
23 who demonstrates eligibility according to income standards  
24 established by the board of governors and contained in Section  
25 58620 of Title 5 of the California Code of Regulations.

26 (h) The fee requirements of this section shall be waived for  
27 any student who, at the time of enrollment is a dependent, or  
28 surviving spouse who has not remarried, of any member of the  
29 California National Guard who, in the line of duty and while in  
30 the active service of the state, was killed, died of a disability  
31 resulting from an event that occurred while in the active service  
32 of the state, or is permanently disabled as a result of an event that  
33 occurred while in the active service of the state. "Active service  
34 of the state," for the purposes of this subdivision, refers to a  
35 member of the California National Guard activated pursuant to  
36 Section 146 of the Military and Veterans Code.

37 (i) The fee requirements of this section shall be waived for any  
38 student who is the surviving spouse or the child, natural or  
39 adopted, of a deceased person who met all of the requirements of  
40 Section 68120.

(j) The fee requirements of this section shall be waived for any student in an undergraduate program, including a student who has previously graduated from another undergraduate or graduate program, who is the dependent of any individual killed in the September 11, 2001, terrorist attacks on the World Trade Center and the Pentagon or the crash of United Airlines Flight 93 in southwestern Pennsylvania, if that dependent meets the financial need requirements set forth in Section 69432.7 for the Cal Grant A Program and either of the following apply:

(1) The dependent was a resident of California on September 11, 2001.

(2) The individual killed in the attacks was a resident of California on September 11, 2001.

(k) A determination of whether a person is a resident of California on September 11, 2001, for purposes of subdivision (j) shall be based on the criteria set forth in Chapter 1 (commencing with Section 68000) of Part 41 for determining nonresident and resident tuition.

(l) (1) "Dependent," for purposes of subdivision (j), is a person who, because of his or her relationship to an individual killed as a result of injuries sustained during the terrorist attacks of September 11, 2001, qualifies for compensation under the federal September 11th Victim Compensation Fund of 2001 (Title IV (commencing with Section 401) of Public Law 107-42).

(2) A dependent who is the surviving spouse of an individual killed in terrorist attacks of September 11, 2001, is entitled to the waivers provided in this section until January 1, 2013.

(3) A dependent who is the surviving child, natural or adopted, of an individual killed in the terrorist attacks of September 11, 2001, is entitled to the waivers under subdivision (j) until that person attains the age of 30 years.

(4) A dependent of an individual killed in the terrorist attacks of September 11, 2001, who is determined to be eligible by the California Victim Compensation and Government Claims Board, is also entitled to the waivers provided in this section until January 1, 2013.

(m) (1) It is the intent of the Legislature that sufficient funds be provided to support the provision of a fee waiver for every student who demonstrates eligibility pursuant to subdivisions (g) to (j), inclusive.

(2) From funds provided in the annual Budget Act, the board of governors shall allocate to community college districts, pursuant to this subdivision, an amount equal to 2 percent of the fees waived pursuant to subdivisions (g) to (j), inclusive. From funds provided in the annual Budget Act, the board of governors shall allocate to community college districts, pursuant to this subdivision, an amount equal to ninety-one cents (\$0.91) per credit unit waived pursuant to subdivisions (g) to (j), inclusive, for determination of financial need and delivery of student financial aid services, on the basis of the number of students for whom fees are waived. Funds allocated to a community college district for determination of financial need and delivery of student financial aid services shall supplement, and shall not supplant, the level of funds allocated for the administration of student financial aid programs during the 1992–93 fiscal year.

(n) The board of governors shall adopt regulations implementing this section.

~~SEC. 2.~~

*SEC. 3.* This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

So that this act may begin to control the increases in tuition and mandatory systemwide fees at the University of California ~~and~~, the California State University, *and the California Community Colleges* in time for the commencement of the 2005-06 fiscal year, it is necessary that this act take effect immediately.